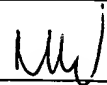# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/580,005	05/26/2000	Nir Kossovsky	M-7529-1P US	9931

23639   7590   06/22/2004

BINGHAM, MCCUTCHEN LLP
THREE EMBARCADERO, SUITE 1800
SAN FRANCISCO, CA 94111-4067

EXAMINER
POINVIL, FRANTZY

ART UNIT	PAPER NUMBER
3628	

DATE MAILED: 06/22/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

-- *The MAILING DATE of this communication appears on the cover sheet with the correspondence address* --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM
THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *25 August 2003 and 31 March 2004*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-11,17-27,33-43 and 49-54* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-11, 17-27, 33-43 and 49-54* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage
application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application (PTO-152)

6)☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 103

1.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 1-11, 17-27, 33-43 and 49-54 are rejected under 35 U.S.C. 103(a) as being

unpatentable over Eder (US Patent No. 6,321,205) and Donner (5,999,907).

As per claims 1, 17, 33, 49, 51 and 53, Eder discloses a system and method for evaluating

the future value of a commercial enterprise. See the abstract. The system and method comprise

at least one server computer connected to one or more client computers via a global area network

and a computer program executed by the server computer (column 8, lines 1-25 and figure 1)

wherein the computer program further comprises instructions for:

Storing information about tangible and/or intangible assets in a database. See figure 1.

Eder teaches generating a valuation based on call option pricing theory or other predictive or

statistical models or algorithms. See column 1, and figures 5A-9C of Eder. Eder discloses that

intangible assets may be intellectual property. See column 2, lines 10-20. Eder does not

explicitly teach the information about the intellectual property comprising a technology

classification and information about publicly traded securities according to the technology

classification in the database. Donner discloses an intellectual property audit system for

calculating the value of an intellectual property. See the abstract. The system and method

comprise obtaining and storing information about an intellectual property asset wherein the

information comprises a technology classification and publicly traded securities. See column 5,

line 14 to column 6, line 7. Eder teaches valuating the element of values based on the revenue

value, capital value and expense values. See column 8, line 26 to column 12, line 30 of Eder.

Eder does not explicitly teach the valuation is performed using a call option pricing theory.

Donner discloses valuating the intellectual property assets using known distribution or estimation

techniques (column 5, lines 1-13). It would have been obvious to one of ordinary skill in the art

at the time of the invention to incorporate the teachings of Donner into Eder in order to generate

a value of an intellectual property based on call option pricing theory using the information

about the intellectual property asset and the information about the publicly traded securities

stored in the database. The motivation would have been to include all appropriate information

related to an intellectual property asset so as to obtain a more accurate value based on the

quantitative and qualitative aspect of the intellectual property.

As per claims 2, 18 and 34, legal instruments conveying rights to the intellectual property

asset are considered in generating the valuation. See column 5, lines 51-56 of Donner.

As per claims 3, 19 and 35, the estimated time and cost to commercialize a product based

on the intellectual property asset are also considered in the combination of Eder and Donner.

See column 11, lines 23-35 of Eder and column 1, lines 23-35 of Donner.

As per claims 4, 20 and 36, Donner discloses obtaining information regarding the technology classification and the publicly traded securities information related to the intellectual property. Obtaining information about publicly traded securities comprising enterprise value of companies in a same technology classification as the intellectual property asset in the combination of Eder and Donner would have been obvious to one of ordinary skill in the art at the time of the invention in order to determine competitors position in the market.

As per claims 5, 21 and 37, Eder teaches determining current prices (column 23, lines 24-44). Obtaining stock prices from external sources are well known in the art. Eder teaches obtaining related information from various external sources across the Internet. See column 16, line 49 to column17, line 4. Donner discloses obtaining related stock information of the intellectual property. See column 5, lines 23-26. Updating the enterprise values based on stock prices, shares outstanding and book value of the companies wherein the stock prices are transferred to the database from an external source. It would have been obvious to one of ordinary skill in the art at the time of the invention to periodically update based on stock prices, shares outstanding and book value of the companies in the combination of Eder and Donner in order to continuously maintain an updated record of the values of an enterprise for record keeping and future consideration of financial endeavors of the enterprise.

As per claims 6, 22 and 38, Eder teaches a valuation based on pricing theory using information about completed intellectual property asset transfer transactions. Se column 8, line 26 to column 12, line 30 and column 21, lines 33-50.

As per claims 7, 23 and 39, the combination of Eder and Donner does not explicitly teach

the call option pricing theory is the Black-Scholes theory. The Black-Scholes option formula is

old and well known and used to evaluate financial assets in financial markets. It would have

been obvious to one of ordinary skill in the art at the time of the invention to use the Black-

Scholes theory in the combination or Eder and Donner as one of a number of possible known

modeling theories in order to evaluate the property assets of Eder and Donner.

As per claims 8, 24 and 40, Eder teaches evaluating risks involved the assets of the

enterprise. Based on economic conditions, performance of the stock markets and other

competitors, the value of the intellectual property will change. Thus, providing instructions for

evaluating risk of the intellectual property asset based on a change of the valuation relative to a

change in an average of enterprise values of publicly traded companies in a same technology

classification as the intellectual property asset would have been obvious to one of ordinary skill

in the art to do in the combination of Eder and Donner in order to maintain an updated vale of the

worth of an enterprise for record keeping purposes and for future consideration of financial

endeavors of the enterprise.

As per claims 9, 25, 41, 50, 52 and 54, the combination of Eder and Donner includes a

serve and clients computers connected over a network having a storage means for storing related

licensing conditions. Owners of intellectual properties offer licensing and related licensing

conditions for the use of their intellectual properties. Generating a suggested asking price

wherein a value of the intellectual property rights is modified according to the licensing

conditions would have been obvious to do in the combination of Eder and Donner in order to sell

or grant rights to use the intellectual properties. Applicant is also referred to Tables 6, 10 and 16

of Eder.

As per claims 10-11, 26-27 and 42-43, the combination of Eder and Donner does not

explicitly teach the computer program further comprises computer instructions for graphically

displaying on a client computer projected yearly income to the seller over the term of the

intellectual property asset based on the suggested selling price and a balance between the

immediate and future payments or instructions for computing the balance between immediate

and future payments by having a discount rate which depends on a risk valuation of the

intellectual property asset. However, in a payment system where payments are due because of a

sale transaction, the balance between payments and balance owed or future payments are always

noted. Moreover, discounts are usually provided to clients based on many factors. Providing

computer instructions for graphically displaying on a client computer pro projected yearly

income to the seller over the term of the intellectual property asset based on the suggested selling

price and a balance between the immediate and future payments or instructions for computing

the balance between immediate and future payments by having a discount rate which depends

on a risk valuation of the intellectual property asset would have been obvious to one of ordinary

skill in the art to do in the combination of Eder and Donner in order to provide instant

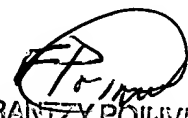visualization of payment data to a client.

Conclusion

2.   Any inquiry concerning this communication or earlier communications from the examiner should be directed to Frantzy Poinvil whose telephone number is (703) 305-9779. The examiner can normally be reached on Monday-Thursday 7:00AM-5:30PM.

The fax phone numbers for the organization where this application or proceeding is assigned are (703) 872-9326 for regular communications and (703) 872-9327 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

FP
June 11, 2004

FRANTZY POINVIL
PRIMARY EXAMINER
AU 3628